State of Illinois Uniform Notice of Funding Opportunity (NOFO) Summary Information

Awarding Agency Name	Commerce And Econ Opp
Agency Contact	John O'Conner (CEO.MPSC@illinois.gov)
Announcement Type	Initial
Type of Assistance Instrument	Grant
Funding Opportunity Number	1
Funding Opportunity Title	Illinois Meat & Poultry Supply Chain Capital Grant Program
CSFA Number	420-00-2862
CSFA Popular Name	Meat and Poultry Production Grants
Anticipated Number of Awards	5
Estimated Total Program Funding	\$6,000,000
Award Range	\$250000 - \$1500000
Source of Funding	State
Cost Sharing or Matching Requirements	Yes
Indirect Costs Allowed	No
Restrictions on Indirect Costs	Yes: Section 3 of 30 ILCS 420 the Capital Development Bond Act of 1972; Section 4 of 30 ILCS 425 the Build Illinois Bond Act; 30 ILCS 330 the General Obligation Bond Act
Posted Date	09/30/2022
Application Date Range	09/30/2022 - 12/31/2023 : 5:00PM
Grant Application Link	Please select the entire address below and paste it into the browser https://dceo.illinois.gov/aboutdceo/grantopportunities/2862-2185.html
Technical Assistance Session	Offered: Yes Mandatory: No Date: 10/11/2022: 2:00PM Registration link: https://illinois.webex.com/illinois/j.php?MTID=m435cf0a4af309e642bece951fd49c09d

Agency-specific Content for the Notice of Funding Opportunity

Illinois Meat & Poultry Supply Chain Capital Grant Program NOFO ID: 2862-2185

For your application to be considered, your entity must be pre-qualified. For more information on pre-qualification, please visit https://dceo.illinois.gov/aboutdceo/grantopportunities/granteeresources.html.

A. Program Description

This Notice of Funding Opportunity (NOFO) sets forth the requirements for the Illinois Meat & Poultry Supply Chain Capital Grant Program (MPSC). DCEO administers grant programs designed to promote and enhance economic development in Illinois as specified by the Fiscal Year 2022 appropriation bill (Public Act 102-0698) enacted by the Illinois General Assembly.

In the wake of the pandemic, meat prices have increased considerably, in part due to limited capacity to meet changing consumer demand. In addition, meat processing represents a critical industry for Illinois, particularly in the western and northwestern regions of the state. The intent of this program is to confront elevated prices and enhance economic resilience by building the capacity for meat and poultry production in Illinois, to retain and grow jobs in this critical industry for the Illinois economy, and to support rural communities as they recover from the economic and public health impacts of the COVID-19 pandemic.

Grant funds for this program must be used to expand processing capacity to accommodate additional species or increase processing volumes, and must be used for capital expenses only. Eligible activities include: construction of a new facility; modernization or expansion of an existing facility; and modernization of processing and manufacturing equipment.

Eligible applicants include businesses that engage or propose to engage in meat and poultry processing, which will expand capacity in the sector. Private entities must be independently owned and operated, and the proposed project must occur at a facility that is physically located and operated in Illinois. Eligible applicants must not hold or have a parent company that holds a market share greater than or equal to the entity that holds the fourth largest share of the market for processing any of the following species: beef, pork, chicken, or turkey.

Award amounts for eligible projects may range from \$250,000 to \$1.5 million. A 4:1 match is required, meaning grant funds may only cover up to 20% of the total eligible capital expenses for the proposed project.

Applications will continue to be accepted for this opportunity and awarded on a rolling basis until funds are depleted. Higher points will be awarded in merit review for projects that are located in an underserved area ³, and/or a rural area, as defined by the Census Bureau ⁴.

In addition to required performance reporting throughout the grant period on project progress, grantees will be required to provide a report two years after the completion of the project on: the employment at the facility, average wages for employees at the facility, and – for existing facilities undergoing expansion – whether the quantity of meat processed and sold at the facility has increased.

B. Funding Information

¹ According to data from the U.S. Bureau of Labor Statistics, the consumer price index for Meats" increased by 23.0% from March 2020 to August 2022, led by a 22.9% increase for beef and veal and a 24.6% increase for pork.

² According to the Quarterly Census on Employment and Wages, average annual employment in "Animal slaughtering and processing" in Illinois in 2020 was 18,590, and Illinois had more establishments in this industry than any other state except for California and Texas.

According to the U.S. Cluster Mapping Project by the Institute for Strategy and Competitiveness at Harvard Business School, regions including Quad Cities, Peoria, Springfield, and Quincy have more than twice as much employment in the Livestock Processing cluster than the national average.

³ https://www2.illinois.gov/dceo/ExpandRelocate/Incentives/Pages/UnderservedAreas.aspx

⁴ https://www.arcgis.com/apps/mapviewer/index.html?layers=432bb9246fdd467c88136e6ffeac2762

This grant program is utilizing state capital funds appropriated by the Illinois General Assembly as indicated in Public Act 102-0698 (Article 144, Sections 40 and 80). Total amount of funding expected to be award through this NOFO is \$6,000,000. Awards will range from \$250,000 to \$1,500,000. The Department expects to make 5 to 10 awards for though this NOFO.

The period of performance for the typical grant is expected to be 2 years.

Grant funds for this program must be used to construct new facilities or to modernize or expand processing capacity at existing facilities to accommodate additional species or increase processing volumes, and may be used for capital expenses only. Eligible activities include: construction of a new facility; modernization or expansion of an existing facility; and modernization of processing and manufacturing equipment.

These grants originate from Rebuild Illinois capital funds, so expenditures for these funds are subject to Bondability Guidelines (see guidelines at the same webpage where this NOFO is posted). Eligible expenses for these funds include:

- architectural planning and engineering design;
- land and building acquisition;
- costs related to site selection, preparation and improvement;
- utility work;
- new construction of buildings and structures;
- · reconstruction or improvement of existing buildings or structures; and
- original furnishings and durable equipment, including scientific instruments and apparatuses with a long useful life.

Ineligible expenses include:

- Operational expenses;
- Lease payments for rental of equipment or facilities;
- Costs of staff or resident labor and material outside of project construction;
- Expenditures to acquire or construct temporary facilities;
- Purchase of automobiles, trucks, farm equipment, boats or rolling stock; and
- Livestock or laboratory animals.
- Pre-award costs.

Applications for renewal or supplementation of existing projects are not eligible to compete with applications for new State awards.

Applicants must submit a project narrative that describes in detail how the award will be executed. The project narrative should include enough information for DCEO to understand the scope of the project, the budget, including a detailed breakdown of the costs associated with each budget line and any additional necessary detail to enable DCEO to manage the grant agreement activity against planned project performance. The Project Narrative must include evidence of capacity, quality and need as defined in Section E.1.

The release of this NOFO does not obligate the Department to make an award.

C. Eligibility Information

An entity must be registered in the Grant Accountability and Transparency Act (GATA) Grantee Portal, https://grants.illinois.gov/portal/, at the time of grant application. The portal will verify that the entity:

- Has a valid FEIN number;
- Has a valid UEI (Unique Entity ID);
- Has a current SAM.gov account;
- Is not on the Federal Excluded Parties List;
- Is in Good Standing with the Illinois Secretary of State, as applicable;
- Is not on the Illinois Stop Payment list; and

Is not on the Department of Healthcare and Family Services Provider Sanctions list.

Marking SAM.gov registrations as "public" will allow the GATA Grantee Portal to expedite the review of the federal information. Making the SAM.gov registration "private" will not prevent the review; however, it will slow down the review process.

Entities on the Illinois Stop Payment List and/or the Federal Excluded Parties List at time of application submission will not be considered for an award.

An automated email notification to the entity alerts them of "qualified" status or informs how to remediate a negative verification (e.g., inactive UEI, not in good standing with the Secretary of State). A federal Debarred and Suspended status cannot be remediated.

Pursuant to the policy of the Illinois Office of the Comptroller, to receive grant funds from the State of Illinois, a grantee must be considered a regarded entity by the IRS for federal income tax purposes. Disregarded entities will not be eligible to receive grant funds.

1. Eligible Applicants include:

Eligible applicants include:

Business entities that engage in or propose to engage in meat and poultry processing
which will expand capacity in the sector. Entities that fit this description are eligible
regardless of legal structure (e.g. sole proprietors corporations, non-profit entities, or
producer-owned cooperatives).

Privately-owned applicants must be independently owned and operated, and the proposed project must occur at a facility that is or will be physically located and operating in Illinois. Eligible applicants must not hold or have a parent company that holds a market share greater than or equal to the entity that holds the fourth largest share of the market for processing any of the following species: beef, pork, chicken, or turkey.

Projects that are already in progress at time of application beyond completion of the items outlined in "Project Readiness" under Section D.2 are not eligible.

Eligible applicants must process or plan to process one or more species subject to the Federal Meat Inspection Act (FMIA) or the Poultry Product Inspection Act (PPIA) and possess or submit an application for licensure to the USDA or State of IL for a Federal Grant of Inspection **OR** a Type 1 license from the Illinois Department of Agriculture Bureau of Meat and Poultry Inspection. Custom Exempt establishments are not eligible to apply.

The Department complies with all applicable provisions of state and federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to: The Illinois Human Rights Act (775 ILCS 5/1-101 et seq.), The Public Works Employment Discrimination Act (775 ILCS 10/1 et seq.), The United States Civil Rights Act of 1964 (as amended) (42 USC 2000a-and 2000H-6), Section 504 of the Rehabilitation Act of 1973 (29 USC 794), The Americans with Disabilities Act of 1990 (42 USC 12101 et seq.), and The Age Discrimination Act (42 USC 6101 et seq.).

2. Cost Sharing or Matching.

A 4:1 match is required, meaning grant funds may only cover up to 20% of the total eligible capital expenses for the proposed project. Competitive applications will provide detailed information about the source of funds to complete the project, in addition to that requested through this grant, including supporting documentation, where available.

3. Indirect Cost Rate.

This grant opportunity is limited to capital improvement expenses. The grant will not compensate for indirect costs, overhead or administrative expenses associated with the execution of the program.

4. Other, if applicable.

Applicants may submit one (1) application for this opportunity per facility.

D. Application and Submission Information

1. Address to Request Application Package.

Grant application forms are available at the web link provided in the "Grant Application Link" field of this announcement or by contacting the Program Manager:

John O'Conner Illinois Department of Commerce & Economic Opportunity 500 E Monroe St Springfield, IL 62701

Email: CEO.MPSC@illinois.gov

2. Content and Form of Application Submission.

A standard application package must be submitted and reviewed by the Department. Each package should contain the following items:

Uniform Grant Application in fillable PDF format. Signature page must be printed, signed, scanned and submitted with application.
Uniform Budget utilizing the template provided by DCEO for this project. The entire budget with all worksheets included even if the worksheets are not relevant to the grant opportunity must be submitted with the application materials. Signature page must be printed, signed, scanned and submitted with application.
Conflict of Interest Disclosure
Mandatory Disclosures

This Notice of Funding Opportunity also requires the submission of the following other programmatic specific items:

- ☐ Project Narrative, including the following information:
 - Project Summary 500-word summary of the project goals and objectives
 - Applicant Information Information about the applicant, including:
 - o legal structure (e.g. S corp, sole prop, co-op, etc.),
 - o description of parent companies or subsidiaries,
 - o a list of locations for the company and its parent company,
 - ownership and/or management experience with establishing a project of this nature, and
 - confirmation that the company does not hold and is not a subsidiary of a company that holds a market share greater than or equal to the entity that holds the fourth largest share of that market for any of the following species: beef, pork, chicken, or turkey processing.
 - Project Information Detailed information about the capital project and anticipated operations at the site:
 - Work plan and capital budget summary (note this is in addition to uniform budget template described separately above), including a detailed

- timeline and details about the amount of funds available from different sources
- Structure of arrangements with producers (e.g. process your own livestock/poultry, fee-for-service processing, further processing without slaughter, etc.).
- Anticipated future expansion not included in the project scope.
- Processing Plant Scale Information about anticipated output by species, employment by occupation, and average wage by occupation at the plant after project completion. For existing plants, show how these amounts will change relative to current baseline. For companies with multiple plants in Illinois, additionally provide these anticipated values in aggregate across all plants in Illinois and how they will change relative to the aggregate baseline.
- Project Readiness Provide information on whether the following are either completed, in process, or planned, and information on the plan to complete them, where applicable:
 - Land ownership or access
 - Environmental permits and other required permits for construction and operation
 - Transportation or utility infrastructure
 - o Contracts in place for required inputs
 - o Commitments from producers, end users, and/or potential buyers
 - Receipt or commitment of funds from investors or lenders
- Plans for successful operations Provide the following information or, if not available, a discussion of their status and timeline for their development
 - Strategy for managing water quality and offal and solid waste
 - o Hazard Analysis and Critical Control Points (HACCP) plan
 - Staffing plan that addresses workforce recruitment, training, and retention

\Box Design or construction documents that show a map of the project site and details about the project, if available, including quotes or estimates used for budget estimate.
☐ Letter(s) of support from local leadership and stakeholders
☐ For existing plants, copy of Federal Grant of Inspection OR Type 1 license from the Illinois Department of Agriculture Bureau of Meat and Poultry Inspection

3. System for Award Management (SAM)

Each applicant (unless the applicant is an individual or Federal or State awarding agency that is exempt from those requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal or State awarding agency under 2 CFR 25.110(d)) is required to:

- (i) Be registered in the System for Award Management (SAM) before submitting its application. To establish a SAM registration, go to www.SAM.gov and/or utilize this instructional link: How to Register in SAM from the www.grants.illinois.gov Resource Links tab. Please note, making SAM.gov registrations "public" will expedite the GATA Grantee Portal pre-qualification process.
- (ii) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal, Federal pass-through or State award or an application or plan under consideration by a Federal or State awarding agency. The State awarding agency may not make a Federal pass-through or State award to an applicant until the applicant has complied with all applicable SAM requirements and, if an applicant has not fully complied with the requirements by the time the State awarding agency is ready to make a Federal pass-through or State award, the State awarding agency may determine that the applicant is not qualified to receive a Federal pass-through or State award and use that determination as a basis for making a Federal pass-through or State award to another applicant.

4. Submission Dates and Times.

This opportunity will be open until funding for the program is exhausted.

Application materials must be submitted to the Department via electronic form at https://app.smartsheet.com/b/form/f895f48b02824895a27a0505cb841c08.

The Department is under no obligation to review applications that do not comply with the above requirements.

5. Intergovernmental Review, if applicable.

N/A

6. Funding Restrictions.

This opportunity does not allow reimbursement of pre-award costs. Other restrictions can be found in Sections B. and C.3.

7. Other Submission Requirements.

Applicants may confirm receipt of the application and documents by contacting the program contact listed in this NOFO.

E. Application Review Information.

1. Criteria.

Grant proposals will be reviewed on a competitive basis. Each proposal will be scored on a 100-point scale (or on a percentage scale). The Department shall consider the following criteria when evaluating the application submittal: Need, Capacity, and Quality.

Need- Identification of stakeholders, facts, and evidence that demonstrate the proposal supports the grant program purpose				
Project is located in an underserved area	5			
Project is located in a rural area	8			
Letter(s) of support provided	8			
Anticipated increase in processing output	10			
Scope of commitments from potential buyers	4			
Capacity- The ability of the applicant to execute the project according to requirements of the grant program				
Project summary is detailed and complete	6			
Provided budget is detailed and complete	6			
Experience of management and/or ownership in previously establishing an operation of this kind	8			

For existing operations, attainment of licenses for operations; for planned operations, must outline steps to acquire them	5		
Commitment of matching funds from investors or lenders	5		
Quality- The totality of features and characteristics of the project that indicate its ability to satisfy the requirements of the grant program			
Average wage of new jobs relative to average county wage	8		
Project Readiness	10		
Clear timeline for capital project and necessary tasks to complete the project	7		
Relevant photos, plat maps, drawings, or other design and planning documents	5		
Construction bids and equipment cost estimates to substantiate budget	5		

2. Review and Selection Process.

Applications will be graded using the Merit Review Process and scored on the criteria specified in Section E.1. The Department will designate an Evaluation Committee to grade each application received for this funding opportunity. The final score of each Committee member will be calculated and an average of all scores will be the final applicant score.

The intent of this program will be to award the full \$6 million in funds by the end of CY 2023. Applications will be reviewed on a rolling basis.

All applicants with a merit review score that exceeds 80 will receive a recommendation for an award. At the end of each quarter, DCEO may recommend additional applicants with a merit review score that exceeds 65 for award if projects recommended for funding up to and including that quarter have not exceeded the \$1-million-per-quarter trajectory needed to fully award the funds by the end of CY 2023. These additional awards may be selected based on merit review score, as well as geographic dispersion of awardees or location in an underserved area. Applicants that have received a merit review score between 65 and 80 will only be considered for two quarters after application is submitted.

The Merit Based Review process is subject to appeal. However, competitive grant appeals are limited to the evaluation process. Evaluation scores may not be protested. Only the evaluation process is subject to appeal. The appeal must be submitted in writing to the Department within 14 calendar days after the date that the grant award notice has been published. The written appeal shall include the name and address of the appealing party, the identification of the grant and a statement of reasons for the appeal. To file an appeal, applicants must submit the appeal in writing and in accordance with the Merit-Based Application Review Appeals Process listed on the Grant Opportunities page of the DCEO website:

https://dceo.illinois.gov/aboutdceo/grantopportunities/meritappreview.html.

3. Anticipated Announcement and State Award Dates, if applicable.

The Department anticipates sending Notices of State Award (NOSA) as soon as possible after a determination to fund is made.

The Department reserves the right to issue a reduced award, or not to issue any award.

F. Award Administration Information

1. State Award Notices.

The Notice of State Award (NOSA) will specify the funding terms and specific conditions resulting from the pre-award risk assessments and the merit based review process. The NOSA must be accepted in the GATA Portal by an authorized representative of the grantee organization. The NOSA is not an authorization to begin performance or incur costs.

2. Administrative and National Policy Requirements.

Subrecipients and Subcontractors: Agreement(s) and budget(s) with subrecipients and subcontractors must be pre-approved by and on file with DCEO. Agreements can be submitted to DCEO when available. Subcontractors and subrecipients are subject to all applicable provisions of the Agreement(s) executed between DCEO and the grantee. The successful applicant shall retain sole responsibility for the performance of its subrecipient(s) and/or subcontractor(s).

Grant Uniform Requirements: The Grant Accountability and Transparency Act (30 ILCS 708/1 *et seq.*) (and its related administrative rules, 44 III. Admin. Code Part 7000), was enacted to increase the accountability and transparency in the use of grant funds from whatever source and to reduce administrative burdens on both State agencies and grantees by adopting federal guidance and regulations applicable to those grant funds; specifically, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200).

Procurement: Grantees will be required to adhere to methods of procurement per the Procurement Standards (2 CFR 200.317 – 2 CFR 200.327).

Business Enterprise Program: For grant awards of \$250,000 or more, grantees will be required to comply with the Business Enterprise Program for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/0.01 *et seq.*), which establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities. The Department and the Capital Development Board will work with the grantees to ensure compliance prior to the establishment of the grant agreement as well as through the life of the grant.

Environmental Review Requirements: Capital grants will be reviewed to determine environmental review requirements. Based on the scope of the project, the grantees may be required to complete additional environmental approvals before a grant agreement can be initiated.

Ilinois Works Jobs Program Act (30 ILCS 559/20-1 et seq.): For grants with an estimated total project cost of \$500,000 or more, the grantee will be required to comply with the Illinois Works Apprenticeship Initiative (30 ILCS 559/20-20 to 20-25) and all applicable administrative rules. The "estimated total project cost" is a good faith approximation of the costs of an entire project being paid for in whole or in part by appropriated capital funds to construct a public work. The goal of the Illinois Apprenticeship Initiative is that apprentices will perform either 10% of the total labor hours actually worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification, whichever is less. Grantees will be permitted to seek from the Department a waiver or reduction of this goal in certain circumstances pursuant to 30 ILCS 559/20-20(b). The grantee must ensure compliance for the life of the entire project, including during the term of the grant and after the term ends, if applicable, and will be required to report on and certify its compliance.

Prevailing Wage Act (820 ILCS 130/0.01 et seq.): Applicants that are awarded grants shall comply with all requirements of the Prevailing Wage Act, including but not limited to, inserting into all contracts for construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the project shall be paid to all laborers, workers, and mechanics performing work under the award and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by

contract. Grantees will be required to report on Prevailing Wage Act compliance on a monthly basis.

Employment of Illinois Workers on Public Works Act (30 ILCS 570/0.01 et seq.): All grantees will be required to comply with the Employment of Illinois Workers on Public Works Act (30 ILCS 570/0.01 et seq.) (the "Act"), which provides that whenever there is a period of excessive unemployment in Illinois (as defined by the Act), if the Grantee is using Grant Funds for (1) constructing or building any public works, or (2) performing the clean-up and on-site disposal of hazardous waste for the State of Illinois or any political subdivision of the State, then the Grantee shall employ at least 90% Illinois laborers on such project. Illinois laborers refers to any person who has resided in Illinois for at least 30 days and intends to become or remain an Illinois resident. Grantees may receive an exception from this requirement by submitting a request and supporting documents certifying that Illinois laborers are either not available, or are incapable of performing the particular type of work involved. The certification must: (a) be submitted to the grant manager within the first guarter of the Award Term: (b) provide sufficient support that demonstrates the exception is met; (c) be signed by an authorized signatory of the Grantee; and (d) be approved by DCEO in consultation with the Illinois Department of Labor. In addition, every contractor on a public works project or improvement or hazardous waste clean-up and on-site disposal project in this State may place on such work no more than 3 (or 6 in the case of a hazardous waste clean-up and on-site disposal project) of the contractor's regularly employed non-resident executive and technical experts.

Applicant must be an USDA licensed, state licensed OR, a new slaughter and/or processing facility that submitted an application for licensure to the USDA or State of Illinois prior to applying to the MPSC. Applicant's license must be registered and in good standing with the Secretary of State.

3. Reporting.

Periodic Performance Report (PPR) and Periodic Financial Report (PFR)

Grantees funded through this NOFO are required to submit in the format required by the Grantor, at least on a quarterly basis, the PPR and PFR electronically to their assigned grant manager. The first of such reports shall cover the first three months after the award begins. Pursuant to 2 CFR 200.328, Periodic Financial Reports shall be submitted no later than 30 calendar days following the period covered by the report. Pursuant to 2 CFR 200.329, Periodic Performance Reports shall be submitted no later than 30 calendar days following the period covered by the report. Any additional reporting requirements will be disclosed in the NOSA. Grantees are required within 45 calendar days following the end of the period of performance to submit a final closeout report in the format required by the Grantor (See 2 CFR 200.344).

Monitoring

Grantees funded through this NOFO are subject to fiscal and programmatic monitoring visits by the Department in accordance with 2 CFR 200.337. They must have an open-door policy allowing periodic visits by Department monitors to evaluate the progress of the project and provide documentation upon request of the monitor. Program staff will also maintain contact with participants and monitor progress and performance of the contracts. The Department may modify grants based on performance.

Audit

Grantees shall be subject to Illinois' statewide Audit Report Review requirements. Terms of the Single Audit Act Amendments of 1996 (31 USC 7501-7507), Subpart F of 2 CFR Part 200, and the audit rules set forth under the Grant Accountability and Transparency Act shall apply (See 30 ILCS 708/65(c)).

Plant Operations Report

Grantees will be required to provide a report two years after the completion of the project on the employment at the facility, average wages for employees at the facility, and – for existing facilities

undergoing expansion – whether the quantity of meat processed and sold at the facility has increased.

G. State Awarding Agency Contact(s)

John O'Conner Illinois Department of Commerce & Economic Opportunity 500 E Monroe St Springfield, IL 62701

Email: CEO.MPSC@illinois.gov

H. Other Information, if applicable

N/A